## APPENDIX A: NON-PROFIT AND CHARITABLE GAMBLING A LEGAL-POLITICAL HISTORY

Typically a history of the authorization or legalization of an activity or product focuses on legislative actions. Bills passed by the Legislature are the legal policy decisions. However, in the case of charitable and non-profit gambling, other factors, including court decisions, Attorney General opinions, grand jury investigations, federal laws, local law enforcement policies, and the strong beliefs of political leaders all played a key role in shaping the ultimate legislative outcomes. Thus, this history includes all of these elements.

Much of the research was done in Tacoma, using the Tacoma News Tribune/Ledger (abbreviated in this document as TNT) as the source. This choice was a matter of convenience and access to materials for the researcher, but it is likely that the Tacoma papers, which cover the Legislature and state politics extensively, provided a reasonably complete discussion of the major issues during this time.

**Territorial legislature.** The original prohibition on lotteries was passed by the First Territorial Legislature, meeting in 1854. When the Territorial Legislature recodified all of its laws in 1881, the recodified section (Section 7259 of Title XXXIX, Chapter 5) read:

*"Every person who shall sell any lottery tickets, or shares in any lottery, for the division of property to be determined by chance, or shall make or draw any lottery or scheme for a division of property not authorized by law, on conviction thereof shall be fined in any sum not exceeding five hundred dollars: Provided, That nothing herein contained shall apply to any lottery for charitable purposes."*

It is not clear whether the 1881 recodification changed any of the previous language. Since 1881 Territorial Legislature codified all of the laws passed previously into the "Code of 1881" (the precursor to the Revised Code of Washington), the reference to 1881 may refer to this recodification process.

Subsequent sections of the law prohibited various forms of gambling and places where gambling might occur. Interestingly, Section 7268, titled "Innocent Games for Pastime Permitted", said, "No person shall be deemed guilty of gambling who shall play at any game of chance or skill for amusement or pastime only, and not gain for himself or another." This provision was passed in 1879 and amended/recodified in 1881 as well.

**1889, Constitutional prohibition.** When Washington became a state in 1889, the State Constitution, in Article II, Section 24, stated, "Lotteries and Divorce—the Legislature shall never authorize any lottery, or grant any divorce." It is probably not a coincidence that a Louisiana Lottery scandal had occurred at this time and that strong federal anti-lottery laws were passed in the 1890's. ["Gambling and the Law: Pivotal Dates," I. Nelson Rose, Whittier Law School, www.gamblingandthelaw.com, 1999]. Professor Rose notes that "lottery prohibitions were written into state constitutions." Washington State was not unique in including this prohibition in its Constitution.

It should be noted that "lottery," as used here, is a broad legal term, covering a range of gambling activities. The "tests" for whether an activity is considered a "lottery" are:

consideration, chance and prize. If these three elements are present, then the activity is considered a "lottery" and is prohibited under Article II, Section 24.

**Statutory exception for charitable purposes.** Within ten years of statehood, the Legislature had passed a provision (Chapter 139 of the penal code) that outlawed lotteries but contained the following language, "Provided, that nothing herein shall apply to any lotteries for charitable purposes." The available documents are not clear, but this exception may have been carried forward from the Territorial statutes as well.

**1898, Supreme Court rules statutory exception is unconstitutional.** This provision was tested in court in 1898, when the City of Seattle challenged it in *Seattle v. Chin Let, 19 Wash. 38, 52 P. 324.* The City of Seattle asserted that this proviso was in direct conflict with the constitutional prohibition and the Supreme Court agreed: "We think that the constitutional provision admits of no exception in favor of lotteries for charitable purposes or for any other purpose."

**1909, Horse racing is prohibited, "mechanical devices for gambling" are prohibited** (Laws of 1909, Chapter 249).

**1933, Pari-mutuel betting on horses authorized.** Laws of 1933, Chapter 55. Again this development took place in the larger context of national trends: Professor Rose notes that in the 1930s, "twenty-one states bring back racetracks; *low-stakes charity bingo spreads throughout the nation."* (emphasis added).

**1937, Use of slot machines by private or non-profit clubs is allowed.** Laws of 1937, Chapter 119. This action exempted private or non-profit clubs from the prohibition on "mechanical devices for gambling" and appeared to be consistent with the earlier (in the 1890s) attempt by the Legislature to allow lotteries for charitable purposes. However the addition of the term "private clubs" likely represented an expansion of the venues that were allowed to provide gambling activities beyond the typical "charitable" group venue.

**1952, Supreme Court rules that exemption for private or non-profit clubs is unconstitutional.** (State ex rel Evans v. Brotherhood of Friends). This case was brought by the Spokane County Prosecutor against the Brotherhood of Friends, "a corporation or 'club' organized under the laws of the state of Washington as a non-profit, benevolent, educational, fraternal, athletic or social variety." The suit sought to "determine whether slot machines of the usual type…may be operated by the Brotherhood of Friends."

The Court addressed the question "Does Article II, §24 of the Washington Constitution, prohibit the legislature from authorizing lotteries of any or all kinds or varieties? Or does the section constitute merely a prohibition of 'chartered' or 'ticketed' lotteries as these were known and operated in 1889, when the state constitution was adopted?"

The Court noted that the Brotherhood of Friends "has made rather large contributions to recognized charitable organizations" so the issue was not whether a portion of the proceeds were used for charitable purposes. The Court also clarified that the County Prosecutor not only had the right to challenge the constitutionality of the exemption but that he had a duty to do so.

The Court rejected the argument that the constitutional prohibition referred only to the types of lotteries that were prevalent in 1889 and re-stated the Chin Let language (quite emphatically), "[w]e think that the constitutional provision admits of no exception in favor of lotteries for charitable purposes or for any other purpose." The Court further ruled that slot machines were lotteries, in terms of the three tests to be applied to determine whether a game or device is a lottery.

**1940s to 1970s, "Tolerance policies."** Throughout this period (1940s to 1970s), at least some local elected and law enforcement officials dealt with the prohibition on gambling by licensing, taxing and/or charging fees to some forms of local gambling, and thereby at least tacitly allowing or authorizing gambling. The revenues were significant enough that these local governments came to rely on them. These tolerance policies also allowed local officials to avoid criticism from charitable organizations and clubs who relied on gambling activities for funding.

**1963, Some forms of gambling approved by the Legislature (Laws of 1963, Chapter 37) but enough signatures were gathered to refer the law to the people for a vote in Referendum 34.**

The precipitating factor for legislative action in 1963 was another Supreme Court decision, issued in 1962, upholding the conviction and removal from office of Robert Twitchell, the Snohomish County Sheriff, for failing to enforce the law against prostitution in Snohomish County (*State ex rel Zempel v.Twitchell).* In this case, Sheriff Twitchell had claimed that it was sufficient to keep an illegal activity "under close surveillance" without actually taking action to stop it. The Sheriff was convicted by a jury of "willful, knowing neglect of duty." The Supreme Court upheld the jury's decision and ruled that Sheriff Twitchell had been properly removed from office.

The *Twitchell* decision, even though the case was focused on prostitution, alarmed local officials who had been allowing various forms of gambling ("tolerance policies") within their jurisdictions. Representatives of state and county fairs, who received substantial income from midway games (largely punchboards), and tavern owners who covered much of their overhead with proceeds from pinballs, also raised concerns. Jack Pyle, political reporter for the Tacoma News Tribune, notes, "Even church groups which hold bingo parties, raffles, drawings and the like, and veterans organizations which do likewise felt some protection was needed." (TNT, March 6, 1963).

At the same time, U.S. District Attorney Brock Adams notified the state that unless pinballs were legalized, they could not be shipped to Washington State via interstate commerce. U.S. Attorney General Robert Kennedy had started making arrests for interstate transportation of pinball machines to a state that did not legally permit their operation. Mayor Gordon Clinton of Seattle responded to this by ending the City of Seattle's tolerance policy toward gambling (Jack Pyle, political writer for the TNT, October 21, 1964, reporting on the history of the gambling referendum).

As a result the 1963 Legislature sought to address the issue of authorizing gambling. There was disagreement about whether the Legislature had the authority to do this, or whether such an action would be held unconstitutional. Nonetheless, legislators addressed the issues.

On March 8, 1963, after an evening debate, SB 360 passed with healthy margins in both houses of the Legislature. The measure authorized games that require "skill and attention." By writing in "skill" the legislators hoped to avoid the constitutional issues around the definition of "lottery." The bill also contained an emergency clause, which would have made the law effective as soon as the Governor signed it. Some opponents claimed that the emergency clause was designed to protect the City of Seattle from prosecution over illegal importation of pinball machines. An editorial in the Tacoma News Tribune criticized the emergency clause and urged the Governor to veto the bill (March 8, 1963).

As legislators and others reviewed the bill as passed, confusion arose as to some of its provisions. In particular, some legislators had voted for the bill, assuming that it allowed local option regarding gambling. When it appeared that the final language in fact did not allow local option, some legislators urged the Governor to use his item veto to correct the problem. They pointed out that they voted for the bill only because it allowed local officials to license or tax gambling activities in their own communities. By having this control locally, they felt they could "preserve the revenue of county and state fairs and of private and non-profit organizations and those churches which use bingo for raising money for Christian purposes" [by licensing only those forms of gambling]. (Rep. Helmut Jueling, Tacoma, TNT, March 11, 1963).

The Tacoma News Tribune responded to these complaints by legislators with the following editorial comment on March 13, 1963:

> *One of the biggest laughs of the year legislatively speaking is the word that many state legislators voted for the gambling bill believing it would legalize church and lodge bingo games. How many days ago were these fellows born? The gambling bill was introduced to permit big gambling, not penny ante stuff. The churches weren't supporting the bill; they were against it. Not many of them would go to the wall if bingo were cut out, and not many of them indulge in even this small gambling, at that.*

This editorial comment illustrates the challenge of trying to assert that the main purpose of authorizing gambling in Washington State was to allow charitable and non-profit groups to raise funds for charitable and non-profit purposes. While this is clearly one reason, the total picture is more complex.

Governor Rosellini then did veto small portions of the bill and urged a court test of the emergency clause.

Homer Humiston, MD, a resident of Tacoma, a former Tacoma City Council member and head of the Pierce County Medical Bureau, decided that the law should go to a vote of the people and on March 14, he went to Olympia to file a Referendum for that purpose. Dr. Humiston had dealt with Tacoma's tolerance policy as a City Council member in the 1950s and felt strongly that SB 360 was a mistake.

However, the emergency clause, which allowed the bill to go into effect upon signature by the Governor, prevented a referendum, so Dr. Humiston asked the Supreme Court to rule on the validity of the "emergency." The Court ruled that the "emergency" was not valid and Dr. Humiston ended up with about seven weeks to gather over 48,000 signatures to qualify the referendum (Referendum 34) for the ballot.

The public reaction was so great that Dr. Humiston was able to gather more than 82,000 signatures from all over the state in that seven-week period. All of the petitions were delivered to the Secretary of State in Olympia by June 12, 1963.

And then, in a stunning development that no one had anticipated, all 5,530 petitions containing the 82,000 signatures were stolen from the Secretary of State's office by two thieves who had ingratiated themselves with the staff and who talked a cleaning lady into unlocking the door to the vault where the petitions were stored.

An uproar ensued, with finger-pointing about security, angry denunciations of the history of gambling as "corruption, crime and deceit" (TNT, June 25, 1963) and legal questions about whether the measure could still be placed on the ballot. The Secretary of State certified the Referendum on the grounds that since there had been so many signatures, even with a typical rejection rate for signatures, there would still be many more valid signatures than needed. His decision was upheld in court and Referendum 34 was placed on the November, 1964 ballot.

Note: Referenda, when certified, are placed on the ballot for the next general election. This why there was an 18 month delay between the time the signatures were gathered (before the law went into effect in June, 1963) and the actual vote on Referendum 34 (November, 1964).

**1964, Referendum 34 defeated, 45% Yes to 55% No, by the people in November 1964.** Referendum 34 was on the ballot during a watershed election. At the national level, Barry Goldwater ran against Lyndon Johnson for President; at the state level, upstart state legislator Dan Evans ran against incumbent Al Rosellini for Governor. There were six ballot measures up for statewide vote, including bond issues for corrections, outdoor recreational facilities, and schools construction.

Referendum 34 became an issue in the Governor's race, with Mr. Evans' campaign charging that Mr. Rosellini was "consistently soft on gambling," while Mr. Rosellini's camp retorted that Mr. Evans had been a leader in the effort to pass the 1963 legislative measure (Mr. Evans was the Republican floor leader in the House and had voted for the bill, saying that he believed it allowed local option for controlling gambling).

Opponents of Ref. 34 claimed, "This measure is not an innocuous means of legalizing the so-called gambling tolerance policy as that policy operated for so many years in Seattle and many other Washington cities. It would give a legal base to several forms of gambling—coin machines, cardroom poker and such games and bingo. The legal base would be used over a…relatively short time, to expand many forms of gambling far beyond the gambling tolerated in Seattle" (Ross Cunningham, Associate Editor, Seattle Times, quoted in the TNT, October 4, 1964.)

Proponents claimed, "the local option proposal 'will keep out the unwanted syndicate gambling interests that operate below the surface…and insure economic stability for many small business firms and employees' in various fields." (David Levine, former Seattle City Councilmember and chair of the Washington State Committee for Referendum 34, quoted in the Tacoma News Tribune, October 7, 1964).

There was a dispute over the accuracy of statements about Ref. 34 in the official Voters Pamphlet. Opponents claimed that proponents' statements were "misrepresentations" and John O'Connell, the state Attorney General, characterized the Referendum as "confusing for voters."

The Tacoma News Tribune editorialized at length on Oct. 28, 1964, noting that "The long and strange background of the attempt to gain the public a vote on this issue ought in itself to prompt a vote of No."

On Election Day, Ref. 34 was the only ballot measure that failed; the other five measures all passed. More than 1.1 million votes were cast on Ref. 34 and the voters defeated it 505,633 For and 622,987 Against, a ratio of 45/55. The people had spoken.

As is often the case when the people speak with such clarity, the gambling issue moved to the back burner for several years. However, it re-emerged in 1969.

**1969, "Tolerance policies" attacked again; legislation proposed, IRS weighs in, Attorney General opinion.** January 1969 marked a new offensive in the gambling debate when then-State Attorney General Slade Gorton (who, along with Dan Evans had been in the Legislature during the early 1960s) announced that he would "push for a crackdown on pinball machines and gave hints that he will seek stricter enforcement of the state's gambling laws." (Quote is from the January 17, 1969 TNT article, and is paraphrasing Mr. Gorton, thus the awkward language).

Mr. Gorton went on to say that the Legislature must recognize that "a degree of minor and private gambling is inherent in most of us." Mr. Gorton also noted that he "would not attempt to push for anti-gambling laws dealing with private clubs" and stated that "lawmakers must also recognize there will always be some form of gambling and that the state should permit such games as bingo and raffles." (Ibid.)

Mr. Gorton then requested that legislators in the House introduce legislation (HB 453) that would forbid cities and counties to license pinball machines, punchboards, card rooms and other forms of gambling, with the exceptions noted below. Criminal sanctions would be levied against operators of professional gambling devices or games of chance. Local law enforcement would be guilty of malfeasance if they continued to license such operations. Notably, exempt from criminal sanctions would be bingo games, raffles for which tickets were sold at $1 or less, and similar functions conducted by non-profit organizations.

Law enforcement leaders noted the uneven pattern of "tolerance policies" around the state and the difficulties in enforcement as a result, and generally supported the professional gambling restrictions and penalties. They also noted that "bingo, pools and private betting" are tolerated by the public and that if law enforcement were to move against them, it would create "disrespect" for police. (Jack Pyle, TNT, Feb. 19, 1969).

Mr. Gorton responded that what he was really seeking in his bill were pinball machines. "All he is trying to do, he stated, is to differentiate between professional and casual gambling." (Ibid.)

In March 1969, the Internal Revenue Service announced a ruling that "a non-profit, tax-exempt social club did not imperil its tax-exempt status by collecting money from

gambling devices." (TNT, March 9, 1969). "So long as the facilities are used only by members and guests, the IRS said, the fact that a club derives part, or most, of its revenue from the recreational facilities, including games of chance, does not affect its tax-free status." Even if the club gambling took place in a community where gambling is illegal, the club's tax-exempt status would not be threatened. The IRS noted that the purpose of the gambling is the "pleasure and recreation" of the members. (Ibid.)

The legislation ultimately failed in the 1969 Legislature, and Mr. Gorton then decided (April, 1969) to move things along by issuing a formal Attorney General's Opinion (AGO) stating that local licensing of "gambling games and devices" was in conflict with state law. (Richard Wolff, TNT, May 1, 1969). The opinion reiterated that state law also prohibits gambling or lotteries "conducted by charitable, religious, fraternal or other organizations." The article notes that "Gorton's opinion "conflicts in nearly every county with tolerance policies toward private clubs."

**1970, another ballot measure, more legislation proposed.** As a result, legislation was introduced during the 1970 Session in the House (HB 50) to "permit raffles and bingo in fraternal and charitable organizations and churches." The measure prohibited virtually every other form of gambling and set penalties for professional gambling. A Constitutional amendment to repeal the anti-lottery language was also proposed.

Over 50 people testified at the Senate hearing on these bills. One representative of the Elks in Tacoma asserted that "if some gambling were not legalized, the state would have to pick up the charitable programs now being supported by fraternal organizations throughout the state." (Jack Pyle, TNT, Jan. 14, 1970). The Seattle Assistant Police Chief noted that HB 50 "would separate professional and charitable gambling and termed it a 'commendable effort.'" (Ibid.)

Governor Evans then entered the fray, advocating for a "carefully worded constitutional amendment." He opposed local option and supported Mr. Gorton's effort to authorize bingo for charitable institutions, churches and private clubs as the "proper way." Governor Evans then went on to say that he felt the "arguments advanced by numerous private clubs, that if they are not allowed to continue certain forms of gambling, they would have to discontinue charitable programs" are not valid.

"If the interest of people in caring for youth and crippled children doesn't go beyond their gambling winnings then I don't think there's enough interest," Gov. Evans said. (Jack Pyle, TNT, January 23, 1970.)

The House then overwhelmingly passed HB 50, 87-9 (TNT, Jan. 31, 1970). The article notes that opposition to the House bill was "surprisingly light" to the House bill.

This put the focus on the proposed Constitutional amendment that had originated in the Senate. However, both HB 50 and the proposed Constitutional amendment died at the bill cutoff on Feb. 6, 1970.

A subsequent effort to repeal the anti-lottery clause in the state Constitution by Initiative (Initiative 249) failed in early 1970 when Attorney General Gorton refused to write the ballot title for the initiative petitions, on the grounds that there was no provision for amending the Constitution by initiative. (Robert Cummings, TNT, Feb. 14, 1970).

Later in 1970, Attorney General Gorton filed suit against ten operators of pinball machines, from all around the state, in an effort to demonstrate that pinball machines were gambling devices and constituted lotteries. (Jack Pyle, TNT, December 14, 1970). This continued Mr. Gorton's attempts to focus on outlawing pinball machines, which he had often said was his main objective in trying to outlaw/regulate gambling. The trial began in December of 1970 in Pierce County Superior Court.

Attorneys for the defendants accused Gov. Evans and Attorney General Gorton of using the court to make legislation.

On December 23, 1970, Superior Court Judge William LeVeque ruled that pinball machines were not only gambling devices but that they constituted a lottery which was unlawful under the state Constitution. (Jack Pyle, TNT, Dec. 23, 1970). The defendants vowed to appeal to the State Court of Appeals.

**1971, Federal pressure increases, local tolerance policies are stopped, legislation passes.**

As the pinball machine trial was moving to its conclusion, the FBI informed local officials that Federal Law 91, passed in October 1970, allowed federal officials to take action if local officials allowed gambling contrary to state law. Kitsap County officials immediately moved to end their tolerance policy (TNT, Dec. 22, 1970). This was followed by a warning to local officials from the two U.S. Attorneys in Washington State in early 1971 that "licensing of gambling or certain types of refusal to enforce state anti-gambling laws may make them liable for federal prosecution." (TNT, Jan. 3, 1971). The pressure on local tolerance policies was tightening.

In response, local police chiefs and prosecutors advised gambling establishments within their jurisdictions to close down their gambling operations. Tacoma's Police Chief Lyle Smith said "the crackdown includes all forms of gambling…including charitable bingo; pools; lotteries including those with prizes of merchandise such as cars, not merely those that give away money, shaking dice for merchandise. The crackdown will affect private clubs as well as business establishments such as taverns and restaurants." (Jack Wilkins, TNT, Jan. 7, 1971.) By February 8, all but seven Washington counties had banned most forms of gambling, and 27 counties had banned gambling outright. (TNT, Feb. 8, 1971).

Groups who felt they were unfairly hurt by the ban then spoke up. The News Tribune reported on January 14 that Sen. Joe Stortini of Tacoma feared that Bellarmine Prep School "may have to close" unless the Legislature authorizes certain forms of gambling. Mr. Stortini expressed concern that this would cause property taxes to rise because private school students would enter the public schools and increase the cost of public schools (TNT, Jan. 14, 1971). Mr. Stortini also reported that 97% of his constituents who answered his poll "favor a state lottery, bingo, raffles and dog racing." (Jack Pyle, TNT, Jan. 15, 1971).

On January 15, Bellarmine officials announced it would end two of its longest running (25 years) fund-raising events: a car raffle and the weekly Boostco game. Officials hinted that Bellarmine might have to drop athletics as a result of the lost income. [Note: On February 11, 1971, Bellarmine officials announced a large capital campaign to build

several new buildings and assured the community that the School's finances were in good condition.]

The Bellarmine worries were followed by an article about regular patrons of several amusement clubs and taverns who were, under the gambling ban, grieving the loss of their social lives. "…card rooms were their lives. They were home, in the truest sense. There was companionship there. Friends. And good conversation about old times. All that is gone." (Michael J. Sweeney, TNT, Jan. 17, 1971).

Tavern owners also rallied to fight the gambling bans. At a meeting of the Pierce County Chapter of the Washington State Licensed Beverage Association, members were urged to tell their legislators, "…you want pinballs and punchboards, not just bingo." "…if you lay anyone off, let them [the legislators] know." One participant urged the members to remind legislators that "churches and clubs don't pay their wages; they don't pay the taxes we do." Mr. Lloyd Ragen of Seattle, the VP of the State Association said that he "feels legislation that excludes some organizations from the penalties for gambling 'is hypocritical because it legalizes gambling in churches and clubs.'"

[Note: While all of these examples are from the Tacoma area, the pattern of publicizing the impact on private church-based schools, older people who had lost their social venue, and tavern owners who had lost business, was likely repeated in other parts of the state. This is a typical public affairs strategy for influencing public opinion.]

Meanwhile, Island County flaunted its ongoing bingo games, and officials there said they would wait for a court decision that made it clear that bingo was illegal. (Rita Trujillo, TNT, Jan. 24, 1971).

So, legislation to amend the state Constitution (SJR-5) started through the Legislature again. An article in the Tacoma News Tribune (Jan. 28, 1971) noted that SJR-5 is "specifically designed to bring back bingo and raffles to private clubs and charitable organizations, even though it would permit the legislature to allow any form of gambling all the way up to Las Vegas games of chance." Attorney General Gorton testified against the bill, saying he thought bingo and raffles for charity were fine but that he opposed all other types of gambling. Mr. Gorton noted that he preferred his own version of a constitutional amendment that would write limitations on social and charitable gambling directly into the constitution. (Ibid.)

The debate on legislative solutions included three elements. One was a bill to allow annual general elections, which would allow statewide ballot measures to be placed on the ballot every year. Otherwise SJR-5 could not be voted upon until November 1972. The second element was the design of implementing legislation if SJR-5 passed. The third element was the establishment of a state gambling commission to operate under the supervision of the Governor.

A forum held in Tacoma on Jan. 30, 1971, included comments from "elderly female bingo players who complained about the loss of their favorite recreation." One woman said, "Think of the doctor bills caused by women 60 or 70 years old who don't have anything to do but sit in a house with a retired husband. Women going to bingo are getting therapy far superior to what a doctor can give." (Robert Boxberger, TNT, Jan. 31, 1971). Rep. Booth Gardner noted that "bingo and cards are the only form of

recreation enjoyed by many elderly persons without the financial or physical means to participate in other forms…." (Ibid.)

Meanwhile, Sen. Stortini continued to raise his concerns. He is quoted in the Feb. 2, 1971 Tacoma News Tribune as saying, "Many organizations will find it very difficult to pay their rent and maintain their buildings. Many parking lots are losing revenue as well as the taxicab companies, restaurants and taverns. This means thousands of dollars off the Tacoma market, and affects every citizen directly or indirectly. There will be a demand to the legislature for funds that in the past have come from the people who live to play bingo." (Ibid.)

Subsequent legislative hearings produced general agreement that "the legislature should act to permit non-profit organizations to operate bingo games and raffles" but could not agree on how best to accomplish this. The major disagreement was whether to strike the anti-lottery language completely from the state constitution (the Senate's position), or to amend the anti-lottery constitutional language only to allow bingo and raffles operated by non-profit organizations (the House position, supported by Attorney General Gorton). (TNT, Feb. 10, 1971).

On Feb. 12, 1971, Mr. Gorton accused "professional gamblers" of "using people who want a return of bingo and raffles as sort of a front while they want a law that will allow all kinds of other things." (TNT, Feb. 12, 1971). He went on to say that he believed that big-time gambling interests had the right to lobby in Olympia, but "should not hide behind efforts to legalize bingo and raffles." (Ibid.)

A Feb. 14 article made it clear that legislators were feeling the heat about gambling. Bill Mertena, a reporter for the Tacoma News Tribune, noted, "But to hear most legislators, no matter what their philosophy on gambling is, they'd almost rather go home after the session and face constituents after having doubled the taxes on their homes than go home without a bingo bill.

"'I get more mail from people asking when they are going to get to play bingo again than I do about tax reassessment,' said one senator last week."

Reporter Mertena noted that the pinball lobby had been keeping a lower-than-usual profile in Olympia this session, but further stated that, "On their [the pinball lobby's] side, though, is apparently every private club member in the state over 40, and not a few under. That probably takes in most of them and represents thousands. Above all, they are organized, vocal, and the kind of nice, middle class conservatives that legislators instinctively want to please—the silent majority no longer silent. They are the kind who if they want bingo, are likely to get bingo. The real question is likely to be, whether they will get pinballs or even wide-open gambling along with it."

Officials from the Elks again asserted that "if states had to fund through the legislatures programs such as those funded by Elks Lodges and other private organizations, they would probably have to levy new taxes or deprive existing programs of funds."

Meanwhile the Legislature reached a compromise between those who wanted to repeal the constitutional prohibition of lotteries and those who wanted specific language in the Constitution allowing only certain forms of non-profit gambling. The compromise emerged from the House and continued the prohibition "except what may be authorized

by the legislature, by referendum or by initiative." Then, tight implementing legislation would be written to permit charitable bingo, raffles, etc. (TNT, Feb. 18, 1971)

Further amendments by the House added the requirement that a 60% vote of the people or the Legislature would be required to permit lotteries. Amendments to specifically include in the Constitution bingo and raffles operated by non-profit organizations failed, as did an attempt to define and prohibit "professional gambling." (TNT, Feb. 28, 1971)

Despite Governor Evans' expressed misgivings that the proposed amendment "went too far," the Legislature approved SJR-5 on March 3, 1971. It would be placed on the November 1972 statewide ballot.

Debate then intensified around the implementing legislation, under the assumption that SJR-5 would pass. Issues included local option, which games to allow, what the limits and penalties would be, and how gambling would be taxed. Proposals for the legislation included many details of financial limits on various gambling activities, limits on gross receipts for non-profit organizations, and local licensing and taxation items. Proponents of authorizing gambling wanted the implementing bill to become effective immediately so that social gambling could proceed and any court challenges would be enjoined pending the outcome of the vote on SJR-5. Jack Pyle, political writer for the Tacoma News Tribune, noted that this is "putting the cart before the horse." He further noted that the constitutional amendment was needed "to permit many of the forms of gambling most people feel are innocent, recreational and which contribute a great deal to charitable and social purposes." (TNT, March 3, 1971).

As the implementing bill (HB 291) passed the House and moved to the Senate, Governor Evans criticized it as too broad and threatened to veto parts of it. Gov. Evans singled out punchboards, pulltabs and cardrooms as aspects that he did not like. (Jack Pyle, TNT, March 4, 1971). Efforts to craft a workable compromise between the House and the Senate continued into April. By the end of April, an agreement had been reached that tightened up the provisions of the bill, in the hopes that line-item vetoes could be avoided.

The Senate passed their version on May 5 and the House/Senate conference version went to both houses on May 10. The resolution of differences between House and Senate versions was to "include all the elements of both the House and Senate versions, and leave the matter up to Evans." (TNT, May 10, 1971). The final version included local options and bingo, raffles, grocery store drawings, county fair and PTA carnival games, one-coin pinballs, punchboard, dollar limit poker, pulltabs and cardrooms.

Then in a final act of confusion, the Legislature literally stopped its clock at 11:55 pm on the mandatory date of adjournment (60$^{th}$ day) while it finished action on a variety of bills including the gambling bill. This called into question the legality of any legislation passed after the actual stroke of midnight.

Eventually it was determined that all of the legislation that had passed was indeed valid and the bill moved on to the Governor's desk for signature. Governor Evans used his item veto power to clean up what one of his staff people said was "the worst job of draftsmanship by the legislature this session—it's just terrible." (Steve Weiner, TNT, May 17, 1971).

Gov. Evans vetoed provisions that would have authorized card rooms, pinballs, punchboards, and pull tabs, noting that the bill "muddied the distinction" between professional games of chance and social gambling. (TNT, May 21, 1971). The News Tribune noted that "three forms of social gambling activity would be permitted under strict controls, by certified nonprofit and charitable organizations." Gov. Evans also vetoed sections of the bill that tied legalizing of all gambling to the Constitutional amendment headed for the 1972 ballot.

**1972, Local officials approved some social gambling, SJR-5 passed.** Based on the passage of HB 291, some localities proceeded to register nonprofit and charitable bingo operators and taxed their proceeds at 5% of gross receipts.

The 1972 special session of the Legislature amended the 1971 law to accomplish several things. It added language exempting agricultural fairs referenced in other RCW's from certain bingo restrictions, and it increased the limits on gross receipts for charitable and nonprofit organizations from $5,000 to $20,000 in a calendar year. It also clarified that the gross receipts limitation did not apply to prizes paid out or the actual cost of the prize. Added language about "games of physical skill" was vetoed by the Governor because it was too ambiguous.

In October, 1972, King County prosecutors asked the Thurston County Superior Court to find the legislation unconstitutional.

In the runup to the election, some local officials urged the formation of a state gaming commission as a way to regulate gambling effectively (TNT, October 12, 1972). And, the idea of creating a state lottery, to generate additional state revenues, began to arise with some regularity.

The November ballot in 1972 was crowded with key races and issues. The Presidential election pitted Richard Nixon against George McGovern and the Vietnam War was the hot topic. At the state level, all of the statewide offices were on the ballot, with a contentious rematch between Gov. Evans—seeking his third term—and the man he beat in 1964, former Governor Al Rosellini.

And, there were twenty-four statewide ballot measures, including eight Initiatives, seven Referenda, five House Joint Resolutions and three Senate Joint Resolutions. In addition to the constitutional amendment removing the prohibition against lotteries (SJR-5), there were bond issues to construct a multitude of state facilities (Washington Futures), a public disclosure law, two versions of shoreline management and litter control laws, privatization of liquor sales, a property tax limitation, the equal rights amendment, legalizing dog racing, and a variety of tax and election related issues. A voter needed real stamina to work through this ballot.

When the dust settled, the state Constitution was indeed amended, with seven of the eight proposed amendments passing. SJR-5, eliminating the prohibition against lotteries, passed 62-38, with nearly 1.3 million votes cast. In the day-after-election reporting, the SJR-5 win merited only the following mention, "legalization of lotteries;" the higher-profile ballot measures—Washington Futures, liquor privatization, public disclosure, litter, shoreline management—got the media coverage. (TNT, Nov. 8, 1972).

This was in sharp contrast to the positioning of this issue before the election. Robert Cummings, a writer for the Tacoma News Tribune, wrote a ten-part pre-election series on "the issues" on the Nov. 7 ballot. His first article (Oct. 24, 1972) asserted that "the most emotional" issues were the ones concerning gambling (dog racing and eliminating the prohibition on lotteries).

Mr. Cummings went on to note that opponents were arguing that both measures would bring "undesirable elements" into the state and "open the door to outside racketeers and criminals." But proponents argued that the implementing measure for gambling would authorize nonprofit bingo and raffles but ban professional gambling. Any expansion of gambling would require a 60% vote in each house of the Legislature. And while a legislative vote to expand gambling would not automatically go to the people for a vote, it could be sent to the people via the referendum process. Mr. Cummings also noted that "some of the measure's supporters…candidly see it as a step toward a state lottery, which they believe would help cure the state's financial ills."

The News Tribune editorial board then recommended a No vote on SJR-5 (October 30, 1972), but as part of a larger editorial comment on all of the proposed constitutional amendments, mentioning SJR-5 only as "SJR-5 (authorizing lotteries)."

After all the turmoil surrounding gambling and the constitutional prohibition of lotteries, the vote on SJR-5 was almost anti-climactic. In a post-election analytical piece (Dec. 1, 1972), Robert Cummings reflected that "modification of the anti-lottery provision, for instance, was impossible to get on the ballot a few years ago. As recently as 1965, a proposed constitutional amendment on this subject was indefinitely postponed within 30 minutes after it was first introduced. This was the same fate it had met for years, dating back as far as 1951."

Sen. Damon Canfield (R-Sunnyside), fearing more gubernatorial vetoes of any gambling legislation once SJR-5 passed, asked the Attorney General if the Governor's veto power could be applied to legislation that passed both houses with 60% or more of the vote. The Attorney General replied that the "veto power of the Governor is applicable to a bill authorizing lotteries passed by a sixty percent majority of the members of both houses of the legislature…unless such bill, upon passage, is, instead, submitted to the electors as a referendum…." [Attorney General Opinion, AGO_1972_No_025, November, 30, 1972.] The Governor's veto power—used extensively by Gov. Evans throughout his tenure—was alive and well, unless the Legislature referred every gambling bill passed to the people for a vote.

Post-election commentary focused on the idea of a state lottery and the limitations of the implementing legislation.

Development of implementing legislation immediately turned partisan, with Sen. Gordon Walgren (D-Bremerton) starting work on language in his Municipal Committee. Not to be outflanked, Gov. Evans, a Republican, appointed an ad hoc Committee on Gambling to make recommendations to him about the scope of implementing legislation. The Governor charged the ad hoc Committee with interpreting the voters' intentions, but also made clear that its recommendations would not be binding on either the Governor or the Legislature.

**1973, Implementing legislation.** The first version of the House bill on this matter included legalizing punch cards, pull tabs, public card rooms, pinballs and drawings conducted as business promotions. The activities could only be offered where liquor was served, thus keeping persons under age 21 from gambling. Social card games and bingo would be allowed when sponsored by a bona fide charitable or nonprofit organization. Sponsors could not charge a fee for participating or take any profits. The bill also allowed cities and towns to tax gambling devices and bingo and to license card rooms.

The ad hoc Committee's report recommended bingo, lotteries, punchboards, pulltabs, sports pools, trade stimulants and raffles, both charitable and grocery store-type. For charitable and fraternal organizations, only those with open membership policies could participate. The Committee opposed the idea of a state lottery. Bingo and raffles were recommended for the charitable and non-profit sector but not for the private sector because they would be too hard to control. Punchboards, pulltabs, sports pools and card rooms would be legalized for commercial use. The Committee opposed extension of pinballs, slot machines, roulette or other casino games to private use because they were seen as too difficult to control.

The ad hoc Committee recommended that a state commission oversee the commercial aspects of gambling but not the non-profit aspects. Finally the Committee recommended that rather than "local option," communities could have "local veto" so that they could say they did not want a certain form of gambling in their communities. Local communities would not be allowed to regulate gambling within their jurisdictions but they would be allowed to prohibit gambling.

As hearings on proposed legislation were held, the largest issues were about control—how to control authorized gambling activities and how difficult it would be to control card rooms and pinballs. Some law enforcement officials indicated that they would prefer that the bills only authorize bingo and raffles (Jack Pyle, TNT, Feb. 12, 1973).

On March 17, 1973, the Senate Judiciary Committee addressed its version of the implementing legislation, setting up a special commission within the Department of Revenue to administer gambling, authorizing charitable bingo and raffles, punchboards (but only those purchased directly from the commission), card games only in private homes, and amusement-type pinballs such as those that were already legal.

In one fascinating exchange reported by Jack Pyle of the Tacoma News Tribune, Senator Damon Canfield (R-Sunnyside) "argued that some exemption be given to games at agricultural fairs and Sen. Fred Dore (D-Seattle) said that all this would do would be to provide a loophole whereby a person could rent a cow, set up gambling games, and call it agricultural fair activity." Cooler heads prevailed, as Sen. Pete Francis (D-Seattle) said, "the statute is clear in defining agricultural fairs, so this could not take place." (TNT, March 17, 1973).

Governor Evans expressed concern about the Senate version, raising particular discomfort about the inclusion of pinballs and card rooms. The Governor noted that the people had indicated by their vote in November that they wanted some changes in the gambling laws and "we can and should open up more than we have been able to do in the past." But he cautioned that the state should go slow and get experience in regulating gambling before opening up more. (Jack Pyle, TNT, April 2, 1973).

The Governor also questioned the local option provisions of the House version of the bill, saying "we could end up with a hodgepodge of enforcement that would be almost as impossible for us in a field that is subject to as many problems as gambling itself is." (Jack Pyle, TNT, April 5, 1973).

On April 7, the banner headline on page one of the Tacoma paper screamed, "House OK's Wide-Open Gambling Bill." Jack Pyle noted "just about everything that went on under the defunct 'tolerance policy' was approved" by the House. Only pinballs were restricted, to the one-coin variety. Local option was all or nothing, not local choice. Various limits were placed on Reno Nights (non-profits and private clubs only), and raffles (limited to $5000). A referendum provision was included.

Then, on April 7, the Senate removed the local option and referendum provisions in its deliberations. But a major amendment was offered, authorizing only charitable bingo and raffles, based on the work of Sen Walgren's Municipal Committee with local law enforcement officials. Sen. Walgren said that law enforcement officials concluded that there "would be problems" with anything broader than this. The State Prosecuting Attorneys' Association said their position was that "gambling should be limited to bingo and raffles only, conducted by bona fide charitable organizations." Action on Sen. Walgren's amendment was postponed until the impacts of other approved amendments could be assessed. (TNT, April 13, 1973). Senator Walgren's amendment was ultimately defeated, 18-30.

Other amendments that had already been approved (the Senate considered 55 amendments and approved 40 of them) included carnival games at agricultural fairs, and authorization of Mah Jongg. Amendments to open up pinballs, to add local option and referendum provisions all failed. The majority of the debate was reported to be over the profits to be made and how to protect the individual gamblers from being duped or cheated.

Ultimately the Senate added the "local veto" provision to its version of the bill, in part (according of Jack Pyle) because the Prosecuting Attorneys' Association, having lost its bid to limit gambling to bingo and raffles, had agreed to the local veto "in a more liberalized bill." The April 14 headline (Tacoma News Tribune) read: "Senate 'Local Veto' Neuters House Gaming Bill." Because the Senate took the House bill (HB 711), stripped it and replaced it with their own single amendment, the House was left to vote the amendment up or down. The House passed the bill on April 16, 1973 and sent it to the Governor.

Then the veto fight started. Legislators, anticipating that Gov. Evans might choose to use his item veto to reshape the bill, had warned the Governor not to veto it. Sen. Harry Lewis (R-Olympia) is quoted in the April 14 Tacoma News Tribune as saying that he would call the Governor and ask him not to veto any part of the legislation. Sen. Lewis went on to say, "We should recognize the rights of all three parts of the government system. I feel very strongly that this body has worked strenuously to work out this legislation that I believe the people asked for." (Jack Pyle, TNT, April 14, 1973).

However, some law enforcement officials immediately took the opposite view. Jack Berry, former Pierce County Sheriff, said, "I hope he uses his veto pen with vigor. I don't believe we should saddle law enforcement with the problems of trying to enforce that

kind of law." Berry went on to say that a state lottery with bingo and raffles might not be too bad but that the other kinds of gambling included in the bill would be problematic. (Jack Pyle, TNT, April 20, 1973).

On April 26, Gov. Evans announced his item vetoes within the gambling bill, taking out the sections authorizing card rooms and social card games, including Mah Jongg. He reiterated the need for the new Gambling Commission to gain experience administering gambling before allowing additional activities. The Governor noted in his veto message (April 26, 1973) "it is clear from the last election that the people desire bingo and raffles."

In September 1973, the Legislature addressed gambling again, in an effort to reinstate social card games and card rooms. HB 467, amending HB 711, passed the Legislature on September 15, 1973. Governor Evans, characterizing many provisions of the bill as the Legislature "failing to enact a responsible bill," vetoed large sections of it. The Governor expressed considerable concern about the bill's apparent authorization of professional gambling and vetoed all sections that appeared to do that.

In February 1974, the Legislature amended the new law through SHB 473. The Legislative Declaration (Section 1) was changed to add "card games;" the definition of a "bona fide charitable or nonprofit organization" was changed to allow the Commission additional discretion in determining an organization qualified to participate in gambling, and to add disaster relief organizations to the definition; to delete the language about an organization's being officially tax exempt or tax deductible; to add fishing derbies and specific language about card games and social card games; to allow some situations where bona fide charitable and nonprofit organizations could conduct raffles without having to get a license; to clarify local licensing issues; to authorize the Commission to make rules about income from bingo, raffle and amusement games; and a number of more minor changes.

In general this legislation was a "clean-up" of the 1973 law and many of the changes had been requested by the newly formed Gambling Commission. However the Governor vetoed a number of items, including the deletion of the requirement that a charitable or nonprofit organization be officially tax-exempt. The Governor also used his item veto to limit the expansion of social card games,

The Legislature later overrode the vetoes of social card rooms [Chapter 155 of the 1974 Legislative Session.]

**Note:** Subsequent legislative changes are found in the subsections of this report dealing specifically legislative/regulatory histories of bingo, punchboards and pulltabs, and raffles.

## LEGAL / POLITICAL HISTORY OF CHARITABLE AND NON-PROFIT GAMBLING IN WASHINGTON STATE

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1854, 1881** | | Territorial Legislature prohibits lotteries, 1854, carried forward in recodification, 1881 | | | | |
| **1880S through 1890s** | Lottery scandals nationally; West had either tolerated or legalized gambling up to this point | Provided statutory exception to Constitutional prohibition for "charitable purposes" (Chapter 130) (Possibly carried forward from Terr. Leg. statutes) | | | Strong federal anti-lottery laws passed. All state lotteries shut down. NM, AZ denied statehood unless they closed their casinos | 1889, WA State Constitution prohibits lotteries (Art. II, § 24) |
| **1898** | | | 1898, *Seattle v. Chin Let,* rules statutory exception for charitable purposes unconstitutional | | | |
| **1900-1910** | Horse racing outlawed in most states. | Horse racing prohibited Slot machines ("mechanical devices for gambling") prohibited | | | | |
| **1910-1930** | Prohibition, World War I, the Roaring 20s | | | | | |
| **1930s** | Twenty-one states bring back racetracks, low stakes charity bingo spreads throughout nation | | | | | |
| **1933** | | Pari-mutuel betting on horses authorized (Laws of 1933, Chapter 55 | | | | |
| **1937** | | Use of slot machines by private or non-profit clubs is authorized (Laws of 1937, Chapter 119) | | | | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1952** | "Tolerance policies" toward gambling are prevalent in many Washington State cities and towns. Local officials license and/or tax some forms of local gambling.<br><br>Nationally, nearly all states change their laws to allow low-stakes charity gambling and pari-mutuel betting on horse racing. | | Supreme Court rules that exemption for private or non-profit clubs is unconstitutional (*State ex rel Evans v. Brotherhood of Friends)* | | | |
| **1962** | Seattle officially ends its tolerance policies. | | Supreme Court rules that law enforcement officials cannot observe illegal activity without taking action against it and upholds the removal of the Snohomish Co. Sheriff from office for malfeasance for tolerating prostitution. (*State ex rel Zempel v. Twitchell)* | | U.S. Attorney for Western Washington notifies state that unless pinballs are legalized within WA State, the machines cannot be legally shipped to WA state in interstate commerce. | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1963** | New Hampshire inaugurates first state lottery, tied to horse races to avoid federal anti-lottery statutes | Reacting to *Twitchell* decision, and the U.S. Attorney's direction on pinballs, Legislature approves some forms of gambling (Laws of 1963, Chapter 37), legalizing games that required "skill and attention." | | | | |
| | Following the passage of Chapter 37, confusion reigned regarding the need for the emergency clause, the constitutionality of the measure and the local option issue. | Governor Rosellini vetoes small portions of the bill but leaves the emergency clause to be decided by the courts | Supreme Court rules that the emergency clause is not valid and opens the door for a Referendum (Ref. 34) | | | A Tacoma physician spearheads the gathering of 84,000 signatures for Ref. 34. (48,000 needed)<br><br>Signature petitions are stolen from the Sec. State's vault; Sec State puts Ref 34 on ballot anyway |
| | | | Supreme Court rules that Ref. 34 can be placed on the 1964 ballot | | | |
| **1964** | | | | | | Ref. 34 defeated 55-45, Nov. 1964. Gambling is still illegal in WA State. |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1969** | Defeat of Ref. 34 by 55-45 margin makes it impossible to pass gambling-related legislation between 1964 and 1969 | | | Announces that he will crack down on pinball machines and seek stronger enforcement of state anti-gambling laws. Supports HB 453. Notes that there will always be gambling and says that bingo and raffles should be permitted | IRS announces that a non-profit, tax-exempt social club did not imperil its non-profit status by collecting money from gambling devices even if they were illegal in the community where the organization is located. | |
| **1969** | | HB 453 does not pass. | | Atty Gen issues formal opinion that local licensing of gambling games and devices is in conflict with state law. Notes that state law also prohibits gambling by charitable, religious, fraternal or other organizations. | | |
| **1970** | | HB 50 introduced; would permit raffles and bingo in fraternal and charitable organizations and churches. Prohibited virtually every other form of gambling. House passes HB 50 87-9 | | | | "Carefully worded" Constitutional amendment urged by Gov. Evans |
| **1970** | | Constitutional amendment introduced in Senate, fails. | | | | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1970** | | HB 50 fails to pass. | | Refuses to write ballot title for Initiative because there is no provision for amending the Constitution via Initiative. | | Effort to amend Constitution via Initiative fails |
| **1970** | | | | Atty Gen Gorton files suit against ten pinball operators to prove that pinball machines fit the definition of “lottery” | | |
| **1970** | | | | | FBI informs local officials that federal authorities will take action if local officials allow gambling contrary to state law. | |
| **1971** | Local law enforcement officials, reacting to the FBI warning, shut down all gambling, including charitable bingo, etc.<br><br>Church schools, taverns, and others affected speak up. | | | | | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1971** | Legislators getting great pressure from constituents to allow charitable and non-profit gambling and social clubs. | SJR-5 introduced; would amend the Constitution to remove the prohibition on lotteries.<br>Proponents said it was specifically designed to bring back bingo and raffles to private clubs and charitable organizations, but would also allow other forms of gambling. | | | | |
| **1971** | | SJR-5 approved by the Legislature on March 3 and set for the 1972 statewide ballot.<br><br>Legislature then started on implementing legislation (HB 291) in anticipation of SJR-5's passage. The plan was for the implementing bill to become effective immediately so that some forms of gambling could resume…and that any court challenge would not run its course until after the vote on SJR-5.<br><br>HB 291 passes Leg. | | | | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1971** | | Governor vetoes card rooms, pinballs, punchboards and pull tabs; and sections of HB 291. | | | | |
| **1972** | Based on the passage of HB 291, some localities register nonprofit and charitable bingo operators and tax their proceeds at 5% of gross receipts. | | | | | |
| **1972** | The statewide ballot includes Presidential, Gubernatorial and other statewide races, and twenty-four ballot measures (including shoreline management, litter control, public disclosure, privatization of liquor sales, Washington Futures, tax exemptions and limits, etc.) | Amended the 1971 law to add agricultural fairs, to clarify the definition of and increase the gross receipts limits. Other language adding "games of physical skill" vetoed by the Governor. | | | | |
| **1972** | | | | | | Voters pass SJR-5 by a 62-38 margin, surprising almost everyone with this margin. |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1972** | | Senate Municipal Committee starts on implementing legislation.<br><br>Governor appoints his own "Advisory Committee" to make recommendations about what types of gambling to authorize | | AGO stating that the Governor will have the authority to veto legislation authorizing lotteries passed by 60% of the House and Senate unless the bill is referred to the people for a vote. | | |
| **1973** | Governor's Advisory Committee recommends: bingo, lotteries, punchboards, pulltabs, sports pools trade stimulants and raffles, both charitable and grocery store-type. No pinballs, slot machines, roulette or other casino games.<br><br>Bingo and raffles for charitable and non-profit sector only.<br>Punchboards, pull tabs, sports pools and card rooms for commercial use only.<br>Recommends state commission to oversee and monitor.<br>Recommends local veto (not option) | | | | | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1973** | | Senate adds agricultural fairs, pinballs, cardrooms; House adds local option, allows social card games and bingo for charitable organizations. | | | | |
| **1973 (April)** | | HB 711 passes House, with restriction only on pinballs. | | | | |
| **1973 (April)** | | Senate strips House language from HB 711, substitutes its own total amendment. Effort to restrict gambling only to bingo and raffles by charitable and non-profit organizations fails (18-30). Includes local veto. | | | | |
| **1973 (April)** | | House passes Senate-amended HB 711, April 16, 1973. | | | | |
| **1973 (April)** | | Governor vetoes card rooms and social card games, including Mah Jongg, urges caution in expanding gambling further until the state has more experience. | | | | |

| DATES | LARGER CONTEXT | LEGISLATURE | WA SUPREME CT | ATTY GENERAL | FEDERAL GOVT | CONSTITUTION / VOTE OF PEOPLE |
|---|---|---|---|---|---|---|
| **1973 (Sept)** | | Passes HB 487, restoring social card games and card rooms, to the list of authorized gambling activities. | | | | |
| **1973 (Sept)** | | Gov. Evans vetoes most of the bill, removing social card games and card rooms. | | | | |
| **1974** | | HB 473 passes, include many “clean-up” items requested by the Gambling Commission. Allows more discretion in deciding what constitutes a charitable or non-profit organization (Governor vetoes this). Adds fishing derbies and social card games (Gov. vetoes card games)<br>Legislature overrides veto of social card rooms. | | | | |
| | | | | | | |